

7 FEB 1984

MEMORANDUM FOR: Chief, Information and Management Staff, OL
FROM:
Chief, Logistics Services Division, OL
SUBJECT: Comments on the "Grace Commission" Report on
Real Property Management

Generally I had no difficulty with most of the recommendations made by the task force. Specific comments are listed below.

Section 1. Exception is taken to recommendation 2-2. Rather than centralize the assignment and review of utilization of space with the Administrator of GSA, the authority should be delegated to the Agency Head. He should be required to report on a regular basis to the President on space utilization and should be required to adhere to regulations and orders promulgated.

Recommendation 5-1 and 2 address the matter of A76 studies and contracting out. I agree with the task forces finding and see this adoption as a real asset to managers.

Section 2. Same comments as above.

Section 3. Recommendations 4-1 and 4-2 impact on A76 actions. In each instance I agree that the recommended action be taken as soon as practicable. Successful accomplishment of these recommendations will make A76 action more efficient and less expensive.

Section 4. I agree that all recommendations should be accomplished in a timely manner.

Section 5. Agree with recommendation and suggest expeditious implementation. Comment does not apply to 10-1 through 10-5.

Section 6. Agree with recommendations 4.3 and 4.4

Section 7. Agree with all recommendations and suggest expeditious implementation.



OL 10017-84

31 January 1984

MEMORANDUM FOR: Chief, Information and Management
Support Staff/OL

STAT FROM:

Chief, Procurement Management Staff/OL

SUBJECT: Grace Commission Report, 17 May 1983 -
Real Property Management

1. I have reviewed the subject section of the Grace Commission Report and find that only PROPs 4 and 5 have procurement implications. Other sections fall more properly within the purview of either Logistics Services Division or Real Estate and Construction Division.

2. PROP 4 deals with the Service Contract Act of 1965. Four recommendations are made. I believe the Agency should endorse all recommendations without exception. The Service Contract Act has the greatest impact on GSA, since that agency has the responsibility for housekeeping functions and relies heavily on service contracting. CIA will become implicated when it contracts for services on the new building. It is noted that CIA has excluded itself from the Service Contract Act because of the requirement for disclosure of information on its contracts. The de facto exclusion is based on the CIA Act of 1949 and the responsibility of the DCI to protect sources and methods.

3. PROP 5 proposes more management discretion in contracting out for high-skill maintenance. At the heart of this discussion is the Office of Management and Budget Circular A-76, which requires that competitive cost analysis be performed to determine whether it is more cost effective to have work performed "in-house" by a government employee or to contract it out. If a study indicates that a task can be done by an outside contractor for 10% less than "in-house," the work should be contracted out.

4. PROP 5-1 - concur.

5. PROP 5-2 - concur.

6. It is noted that CIA has made a determination that tasks being performed by its employees are properly performed by Government and those contracted out are properly contracted out. It has not forced A-76 on its activities, but has retained the option to use A-76 when it seems advantageous to do so. OMB has been advised of the Agency's position in this regard.



STAT

STAT

Approved For Release 2005/08/02 : CIA-RDP87-01146R000100010035-4

Approved For Release 2005/08/02 : CIA-RDP87-01146R000100010035-4